

**MINUTES OF THE OCTOBER 2007 MEETING  
OF THE  
ADMINISTRATIVE RULES REVIEW COMMITTEE**

- Date of meeting: The regular, statutory meeting of the Administrative Rules Review Committee (ARRC) was held Tuesday, October 9, 2007, in Room 22, State Capitol, Des Moines, Iowa.
- Members present: Senator Michael Connolly, Chair, and Representative Philip Wise, Vice Chair; Senators Jeff Angelo, Thomas Courtney, John P. Kibbie, and James Seymour; Representatives Marcella Frevert, David Heaton, David Jacoby, and Linda Upmeyer.
- Also present: Joseph A. Royce and Michael Duster, Legal Counsel; Kathleen K. West, Administrative Code Editor; James Larew, Administrative Rules Coordinator, and Deborah Svec-Carstens, associate counsel; fiscal staff, caucus staff and other interested parties.
- Convened Sen. Connolly convened the meeting at 9 a.m.
- Fiscal report** Sue Lerdal presented the LSA fiscal report.
- PUBLIC SAFETY DEPARTMENT** Mike Coveyou and Stuart Crine represented the department.
- ARC 6222B No questions on proposed ch 125 concerning uniforms for sheriffs and deputy sheriffs.
- ARC 6256B No action on proposed amendments to chs 51 and 221 concerning flammable and combustible liquids. Mr. Coveyou stated that these amendments adopt International Fire Code provisions and update NFPA standards. Discussion related to E-85 dispensing equipment.
- ARC 6255B No action on proposed amendments relating to aboveground petroleum storage tanks.
- ARC 6223B Proposed amendments to ch 226 establish response actions in the event of damage to propane piping. Mr. Coveyou noted that the propane gas association has offered suggestions which the department is likely to incorporate when the amendments are adopted.
- ARC 6214B No action on proposed amendments to chs 300, 301, and 303 pertaining to the state building code. Mr. Coveyou noted that inspections will be conducted by employees of the department.
- SECRETARY OF STATE** Sandy Steinbach and Linda Langenberg represented the secretary of state.
- ARC 6254B No action on termination of the notice for amendments that were simultaneously adopted and filed emergency. There was discussion about counties' options for establishing the required paper record of votes cast, the costs of the options, the commitment of HAVA funds to the statewide voter registration system, pending federal legislation, and the difficulty of recruiting poll workers. Sen. Courtney commented that he believes voting equipment should be uniform statewide.
- ARC 6266B No action on amendments to incorporate corrective amendments pertaining to absentee voting as suggested by county auditors.
- ARC 6265B Ms. Steinbach commented that these amendments regarding testing of voting equipment were strongly supported by county auditors.
- ELDER AFFAIRS DEPARTMENT** Joel Wulf and Phyllis Anderson represented the department.
- ARC 6226B No questions on 2.9 and 2.10, which include an informal appeal process in the complaint and contested case procedures.
- ARC 6228B Mr. Wulf stated that ch 10, senior internship program, was rewritten to conform to federal changes. Rep. Jacoby indicated that conformance with the Workforce Investment Act may result in eligibility of fewer persons.
- ARC 6229B No questions regarding proposed amendments to 11.2 and 11.17.
- ARC 6231B No action on proposed ch 13, contested cases.
- ARC 6232B No questions on proposed ch 18, declaratory orders.
- REVENUE DEPARTMENT** David Casey, Jim McNulty, and Dale Hyman represented the department.
- ARC 6264B No questions on relaxed good-faith requirement for sales tax exemption certificates.
- ARC 6241B Mr. Casey outlined 2007 legislative tax credits. Rep. Heaton suggested legislation be introduced to prohibit tax preparation companies from advancing refundable earned income tax credits. Sen. Connolly expressed interest in the school tuition organization tax credit and asked the department to prepare a summary of the various tax credits available and an analysis of whether the tax credits are serving their intended purpose.
- ARC 6240B No questions on proposed amendments resulting from the reduction in wage-benefit tax credits from \$10 million to \$4 million.
- ARC 6243B No questions on proposed amendments regarding withholding and composite returns.
- ARC 6244B No questions on motor fuel and undyed special fuel tax rates.
- ARC 6242B No action on proposed property tax amendments.

**ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF** Melanie Johnson, Jeremy Babcock, Tim Waddell, Nancy Landess, Mary Klemesrud, Tom Wheeler, and Karen Merrick represented the department.

ARC 6247B No questions on reorganization of IDED rules.

ARC 6220B Amendments to ch 9 pertain to workforce training and economic development funds. Rep. Jacoby requested that community college annual reports be distributed to the committee. Rep. Heaton asked that the committee be advised about whether unused funds can be reallocated among community colleges.

ARC 6221B No questions on amendments to ch 25, housing fund.

ARC 6216B No action on proposed ch 35, regional tourism marketing grant program. Ms. Landess stated that grants range from \$5,000 to \$10,000 and commenters have asked for increased funding for the program.

ARC 6218B No action on ch 36, film, television, and video project promotion program.

ARC 6219B No questions on amendments to ch 59, enterprise zones.

ARC 6217B No questions on the demonstration fund program, ch 105. Ms. Merrick reported that eight applications have been received for prototype and concept development activities.

ARC 6144B No action on proposed ch 37, regional sports authority districts. Ms. Landess indicated that 10 applications have been received for the promotion of nonprofessional sports.

ARC 6143B No questions on proposed amendments to chs 54 and 55 concerning targeted small business procurement and financial assistance.

ARC 6138B No action on proposed chs 101 to 104, which include the targeted industries division, information technology joint ventures fund, information technology training program, and targeted industries internship program. Ms. Klemesrud reported that, in response to public comment, providers of health care services will be considered eligible for information technology joint ventures funding. Rep. Heaton expressed an interest in learning more about a career awareness program geared to high school students.

ARC 6137B No questions on emergency implementation of chs 102 and 103.

**IOWA FINANCE AUTHORITY** Mark Thompson and Carla Pope represented the authority.

ARC 6195B No action on 12.1 and 12.2, regarding the qualified allocation plan for the low-income housing tax credits. Discussion related to affordable assisted living projects. Ms. Pope explained that although the focus in recent years has been on larger cities, this year there are more opportunities for regional projects; and she clarified that larger projects can be implemented in phases.

ARC 6194B No questions on proposed ch 15, purchasing.

ARC 6159B No questions on proposed 19.1 and 19.2, concerning the project-based portion of the state housing trust fund.

ARC 6160B No action on proposed amendments to ch 25, entrepreneurs with disabilities program.

**Committee business** The minutes of the September meeting were approved (motion by Rep. Frevert; seconded by Sen. Courtney).  
The next meeting will be held Tuesday, November 13, 2007.

**HUMAN SERVICES DEPARTMENT** Nancy Freudenberg represented the department.

ARC 6268B No action on proposed amendments to ch 81 concerning Medicaid reimbursement for nursing facilities.

Special review No questions on intended emergency adoption of risk pool assistance provisions, 25.61 to 25.65.

Special review No questions on intended emergency adoption of increase in PMIC limits in 79.1(2).

**ENVIRONMENTAL PROTECTION COMMISSION** Jon Tack, Wendy Rains, and Gene Tinker represented the commission. Dr. William Simkins, a professor of hydrogeology at Iowa State University, was also present. Other interested parties included Sara Bixby of SCISWA, Hal Morton of DMCRSWC, Cindy Turkle of Turkle-Clark Environmental Consulting, and Terry Johnson of Waste Management.

ARC 6252B No action on 28.1 statewide ambient air quality standards.

ARC 6251B No action on proposed 61.3(8), recreational use assessment and attainability analysis protocol.

ARC 6250B This is the regulatory analysis on proposed amendments to ch 65 to limit of application of liquid manure and open feedlot effluent on fields planted to soybeans. Mr. Tinker reported that it is not yet possible to quantify the effect of the amendments on water quality or on costs to the regulated community. Discussion related to tile lines, crop rotation, soybean generation of nitrogen, surface application of manure, and incorporation of manure into the soil. Rep. Upmeyer noted that the regulatory analysis is inconclusive, and her written questions and concerns will be submitted to the department and the committee.

Environmental Protection Commission (continued)

ARC 6253B

No action on financial assurance requirements for sanitary landfills.

ARC 5999B

Mr. Tack presented diagrams to illustrate new landfill and existing landfill designs and identified issues concerning leachate and acceptable barriers for abutment of lined and unlined cells. Mr. Tack reported that technical data has been submitted by Waste Management, and the engineers are discussing the leachate recirculation issue. Mr. Tack distributed copies of a letter in which the department has asked EPA to clarify apparently conflicting communications provided to the department and the committee.

Dr. Simkins distributed copies of Iowa Groundwater Basics to the committee and commented on the permeability of all types of soils, as evidenced by the appearance of nitrates at depths of 600 feet. Photographs were circulated to illustrate fissures and fractures that allow for the transport of liquids through clay and rock.

Dr. Simkins responded to committee questions pertaining to nitrate concentrations, velocity of groundwater movement and water table fluctuations.

Ms. Bixby stated that South Central Iowa Solid Waste Agency supports the rules and is prepared to install liners in order to prevent contamination from the new cell from flowing horizontally into the unlined cell. Mr. Morton commented that dry clay is more susceptible to cracks than damp clay. Mr. Johnson stated that Waste Management has submitted alternative liner demonstrations for two facilities and there are still technical issues, such as leachate recirculation, to be resolved. Rep. Upmeyer noted that after a site is closed, monitoring continues for 30 years.

Sen. Kibbie asked the fiscal services division to prepare an analysis of costs.

Sen. Connolly thanked the department and Dr. Simkins for their presentations.

Adjourned

The meeting was adjourned at 2:45 p.m.

Respectfully submitted,

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Kathleen K. West

APPROVED:

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Chair Michael Connolly

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Vice Chair Philip Wise